USAID Country Profile: Ukraine October 2003

Capital: Kiev (Kyiv)

Population: 49 million (July 2000 est.) **GDP(current US\$):** 37,588 million (2001)

Population below national poverty line (1999): 29%

GDP per capita (current US\$): \$766 (2001)

GDP per capita (purchasing power parity): \$2,200 (1999 est.)

Religion: Ukrainian Orthodox, Greek Orthodox, Catholic,

Protestant, Jewish

Language: Ukrainian, Russian, Romanian, Polish, Hungarian

President: Leonid Kuchma

Prime Minister: Viktor Yanukovich

Acting Ukrainian Ambassador to US: Voldymyr Yatsenkivsky



National Interest: Ukraine's strategic location between Central Europe and Russia, the government's decision shortly after independence to turn over its nuclear arsenal, its partnership with NATO and recent cooperation in the global war on terrorism have made the country vital to U.S. national security and foreign policy interests. USAID's goals of assisting Ukraine in fostering a successful transition to more democratic governance and a market economy are part of the U.S. government's long-standing efforts to promote regional stability through greater European integration and cooperation. Helping Ukraine realize its substantial economic and commercial potential, as well as contributing to improving the social well-being of all Ukrainians, are integral parts of an agenda for reform and progress in the region.

OVERVIEW OF USAID'S FOCUS IN UKRAINE

FY03: Total FSA - \$137 million, USAID Total - \$70.05 million

Improved Investment Climate: Program elements include 1) establishing a legal foundation that secures property rights; 2) developing budget and tax policies that provide a more transparent and efficient system of expenditures and taxes; 3) focusing more technical assistance at the local level to strengthen municipal fiscal capabilities; 4) providing limited, short-term assistance to Parliament on budget and tax issues; 5) promoting the rule of law by improving enforcement and quality of court decisions, introducing alternative methods of conflict resolution, and increasing the public's legal awareness; and 6) fostering improved corporate governance, transparency, and anti-corruption by providing judicial, regulatory, commercial bank, and corporate director training; promoting financial disclosure; and developing new university and law school curricula.

Accelerated Growth of Small and Medium Enterprises (SMEs) and Agriculture: Program elements include 1) promoting legal and regulatory reform, working in tandem with associations and advocacy coalitions, to create a favorable environment in which SMEs and agriculture can grow; 2) improving business skills of Ukrainian entrepreneurs; 3) increasing access to finance for SMEs and agriculture, as well as increased access to land that will enable further growth and development; 4) organizing agricultural input and output markets for increased effectiveness and productivity; and 5) mobilizing access to credit.

<u>Citizenry Increasingly Engaged in Promoting their Interests and Rights for a more Democratic Market-Oriented State:</u>
Program elements include 1) enhancing the role of civil society organizations in promoting democracy; 2) strengthening the effectiveness and democratic orientation of political parties; 3) improving the openness and competitiveness of the electoral process; and 4) increasing the availability of unbiased public information.

<u>Government Institutions are more Effective, Transparent, and Accountable to their Citizens</u>: Program elements include 1) increasing autonomous and responsive local self-governance; 2) strengthening the Parliament to be more effective, independent, and representative; and 3) fostering adherence to the rule of law.

Improved Social Conditions and Health Status: Program elements include 1) creating a widely-available, adequately-funded, and effectively- administered subset of social insurance programs, beginning with pension reform; 2) preventing the trafficking in persons and the providing of assistance to victims; 3) improving delivery of social services and humanitarian assistance by NGOs; 4) providing access to quality primary health care services through promoting family medicine clinics and women's wellness centers; 5) improving the quality of maternal and infant health services; 6) assisting to reform reproductive health policy; 7) supporting efforts to prevent and control HIV/AIDS and TB; and 8) supporting the prevention and surveillance of birth defects.

Special Objectives: include the Kharkiv Partnership to promote economic growth, job creation, and investment in the Kharkiv Oblast; the Poland-Ukraine-America Cooperation Initiative (PAUCI) to facilitate economic development in Ukraine by fostering the growing relationship between Ukraine and Poland; participant training to provide leaders and professionals with the practical knowledge and technical skills needed to create policies, programs, and institutions that support Ukraine's transition to democratic governance and a free market economy; and technical assistance and training for environmental activities that promote sound environmental management for sustainable development. (Environmental activities end in FY 2004.)

USAID/Ukraine: Christopher Crowley, Mission Director (011-380-44-462-5678), 19 Nizhniy Val, Kyiv 04071, Ukraine USAID/Washington: Bob Wallin (202-712-0141) & Yvette Malcioln (202-712-4652) USAID/Ukraine website: http://www.usaid.kiev.ua